



Department of Planning, Building and Code Enforcement
801 North First Street, Room 400
San José, California 95110-1795

Hearing Date/Agenda Number:
P.C. December 8, 2004 Item: 7.a

File Number:
GP04-03-02

Council District and SNI Area:
3

Major Thoroughfares Map Number:
66

Assessor's Parcel Number(s):
230-14-007

Project Manager: Dionne Early

GENERAL PLAN REPORT

2004 Fall Hearing

PROJECT DESCRIPTION:

General Plan amendment request to change the Land Use/Transportation Diagram designation from Light Industrial to Medium High Density Residential (12-25 DU/AC) on a 7.6-acre site. As an alternative to the applicant's request, staff proposes a change to High Density Residential (25-50 DU/AC).

LOCATION: 1180-1184 Campbell Avenue, on the northeasterly side of Campbell Avenue, approximately 1,000 feet northwesterly of Newhall Street in the City of San José.

ACREAGE: 7.6

APPLICANT/OWNER:

MMAD Investments, Owner/Andre Hunt-Santa Clara Development Co., Developer

GENERAL PLAN LAND USE / TRANSPORTATION DIAGRAM DESIGNATION:

Existing Designation: Light Industrial

Proposed Designation: Medium High Density Residential (12-25 DU/AC)

EXISTING ZONING DISTRICT(S): LI Light Industrial

SURROUNDING LAND USES AND GENERAL PLAN DESIGNATION(S):

North: T.W. Smith Company (plumbing showroom and warehouse)-Light Industrial

South: Wafer production, turning/milling/finishing parts for medical and aerospace industries-Light Industrial

East: Southern Pacific Railroad/Caltrain rail yard -Heavy Industrial

West: Sanmina-SCI (design, engineering and manufacturing circuit boards)-Light Industrial

ENVIRONMENTAL REVIEW STATUS:

Mitigated Negative Declaration circulated on November 9, 2004.

PLANNING STAFF RECOMMENDATION:

High Density Residential (25-50 DU/AC)

Approved by:

Date:

PLANNING COMMISSION RECOMMENDATION:

CITY COUNCIL ACTION:

CITY DEPARTMENT AND PUBLIC AGENCY COMMENTS RECEIVED:

- **City of Santa Clara Planning Division**—The proposed density is relatively low and a higher density would be in keeping with VTA Best Practices for Integrating Transportation and Land Use and with planning principles that direct new development of high density residential and employment activities in proximity to transit nodes and corridors. Project alternatives that include minimum residential densities of 25 to 40 dwelling units per acre should be examined.
- **Santa Clara Valley Transit Authority**—VTA's Community Design and Transportation Guidelines should be used when designing a development for this site. Based on information given, a Transportation Impact Analysis may be needed.
- **Department of Public Works**—The subject site is in a State Liquefaction Zone. There are potential traffic impacts associated with this proposal. Submittal of a traffic report will be required for future planning applications.
- **Department of Transportation**—A TRANPLAN analysis was prepared for both the applicant proposed and staff recommended amendment and no significant impacts to the City's long-term transportation network result from either density of project on this site.
- **Pacific Gas & Electric**—No objections to the proposed project.
- **Santa Clara County Airport Land Use Commission**—The project site lies outside of the ALUC referral boundary.

GENERAL CORRESPONDENCE:

T.W. Smith, president of T.W. Smith Company (a wholesale plumbing supply company since 1962) located at 1200 Campbell Avenue on the northern boundary of the subject site, indicated that he had the following concerns regarding the conversion of the adjacent property to residential uses:

1. The continued closure of Campbell Avenue at Newhall Street.
2. Fear of being forced to sell his property and close his business due to nuisance complaints by future residents of the subject site.
3. Increased traffic congestion at the Campbell and El Camino Real intersection, especially on weekdays between 3:30 PM and 5:00 PM.
4. Complaints and desires of residents from District 6 (registered voters) overpowering non-resident business owners in District 3.

A letter dated November 16, 2004 signed by Mr. Smith expressing the detrimental impact he feels the amendment and future project will have on his business is included in the attachments to this document.

On November 24, 2004 a member of the Newhall Neighborhood Association met with Planning staff to pick up copies of specific plans and neighborhood action plans to review with other members of the organization and interested neighbors. He expressed the neighborhood association's desire to work with Planning, as well as Council members Yeager and Chavez, area businesses, and developers in order for the neighborhood association to learn more about how the planning process works in San Jose and to create a specific plan document that will facilitate an easy transition from industrial to residential uses while concurrently improving and preserving the existing neighborhood.

One business owner currently operating on the subject site stated that the landowners informed all the tenants that they would have to vacate the property around summer 2005. This business owner also said that this is the second time he has had to relocate his business due to developers acquiring and converting industrial land to residential uses. He added that he is considering moving his business out of San Jose into Santa Clara. He estimates that approximately 40 people are currently employed on the subject site.

Lupe Solis, a neighborhood resident, believes residential development on Campbell will cause major traffic issues and that funding should be provided to help improve the entire neighborhood beginning with paving Maple, a narrow street west of Morse Court that regularly floods and causes damage to her and her neighbors' properties.

ANALYSIS AND RECOMMENDATIONS:**RECOMMENDATION**

Staff recommends High Density Residential (25-50 DU/AC) for the following reasons:

1. **To create a pedestrian-friendly environment for the larger neighborhood with an opportunity for up to 6 acres of centrally located neighborhood-serving parkland.** As the “Framework, as a Guideline, to Evaluate Proposed Conversions of Employment Lands to Other Uses” indicates, this entire industrial pocket should be considered for conversion to housing. Staff has studied what might occur when the entire area converts to housing and believes a centrally located park is an important feature needed to create a safe, pedestrian-friendly environment for existing and future residents of the area. Having one large park instead of two or more smaller parks could provide much needed public space for playgrounds and little league sports. One larger public park is easier to maintain and less expensive to build than multiple small parks.
2. **To locate more residential units near Caltrain Station, Santa Clara University, and high-tech firms in both cities.** Several high-tech firms (Roxio, Sanmina, etc.) are located between the subject site and the Santa Clara Caltrain Station. In addition to students and professors from Santa Clara University, employees from area businesses and others who may work in San Francisco or on the peninsula would be attracted to living within walking distance of the Santa Clara Caltrain Station and its new Caltrain Baby Bullet Train service. The site for the future Santa Clara multimodal BART Station is located across the tracks from the existing Caltrain station.
3. **To protect future residents from perceived nuisances using multi-story buildings.** A high density development would typically have three- to four-story buildings that would create a significant noise, dust, and odor barrier to the heavy industrial uses happening in the adjacent rail yard 24 hours a day. Currently 76 trains per day pass the site, and many trains idle next to it. Closer to Campbell Avenue and the existing neighborhood, lower density townhomes (single-family attached units) could be built for an easier transition into the existing neighborhood. The applicant proposed land use change to Medium High Density Residential (12-25 DU/AC) and the pending Planned Development rezoning consisting entirely of 104 single-family detached units could result in future limitations being imposed on nearby industrial users, which could lead to complaints and additional proposals for industrial conversions including the following sites:
 1. T.W. Smith Company (plumbing showroom and service since 1962);
 2. Sanmina-SCI (electronic contracts manufacturing, net sales \$10.7 billion in 2003);
 3. Silicon Valley Microelectronics, Inc. (semiconductor and wafer manufacturers);
 4. Precision Specialties (turning and milling parts for medical, film, and aerospace industry);
 5. Variety Metal Finishing.

The construction assembly of podium, multi-story, multi-family units can inherently provide greater sound insulation than that often used for single-family detached houses. Complaints from owners of new single-family detached houses could put limitations on neighboring industrial users.

PROJECT DESCRIPTION

This is a privately initiated General Plan amendment to change the *San Jose 2020 General Plan* Land Use/Transportation Diagram designation from Light Industrial to Medium High Density Residential (12-25 DU/AC) on a 7.6-acre site located at 1180-1184 Campbell Avenue, on the northeasterly side of Campbell Avenue, approximately 1,000 feet northwesterly of Newhall Street in the City of San José. Staff is recommending instead a land use designation change from Light Industrial to High Density Residential (25-50 DU/AC), which is a land use designation that would be supportive of future BART and existing Caltrain ridership as well as being compatible with existing industrial uses in the area.

The applicant proposed General Plan amendment has been filed concurrently with a Planned Development rezoning application (File No. PDC04-068). The pending Planned Development rezoning proposal would allow up to 104 single-family detached residences, resulting in a density of approximately 13 dwelling units per acre, or a net density of approximately 17 dwelling units per acre, if two proposed onsite drives were made into public streets. The pending Planned Development rezoning is tentatively scheduled to be heard at a separate public hearing by the Planning Commission and City Council in 2005. Staff is currently not supportive of the Planned Development rezoning, as currently proposed by the applicant, primarily due to the low housing density (approximately 13 DU/AC) and housing type (single-family detached).

No rezoning application is on file for the staff recommended alternative designation of High Density Residential (25-50 DU/AC) at this time. Approval of High Density Residential (25-50 DU/AC) for the subject site could result in the development of housing types including attached single-family homes, multi-family homes, or ideally, a mixture of multi-family podium-style development near the railway and single-family attached dwelling units closer to Campbell Avenue.



Figure 1. Aerial photograph showing the amendment site. Please note proximity to City of Santa Clara border and existing Caltrain Station.

BACKGROUND

The subject site is located within a small industrial pocket westerly of the City of San Jose Norman Y. Mineta International Airport, southeasterly of the Santa Clara Caltrain Station and westerly of Santa Clara University. Two businesses currently operate on the site. One is a packaging, crating and warehousing business and the other is an airfreight distribution business.

A study was recently completed for the City of San Jose to evaluate existing employment centers and identify industrial areas that could be considered for conversion to housing and commercial uses. The study's accompanying "Framework, as a Guideline, to Evaluate Proposed Conversions of Employment Lands to Other Uses" suggests considering this portion of Central San Jose 1 Subarea (west of the railroad tracks and north of I-880), the industrial pocket in which the subject site is located, for, "conversion to housing consistent with the existing neighborhood, the BART Station Node, and the City of Santa Clara's conversion to housing," in certain circumstances.

Site and Surrounding Context

The amendment site consists of one parcel with two warehouse buildings and paved surfaces used for materials storage and truck parking. The site is slightly more than 93% paved. There is a small landscaped area along the sidewalk fronting Campbell Avenue. Small, unpaved areas exist along the fence lines at the northeast and southeast boundaries. An aboveground diesel storage tank and a vehicle storage area are located on the unpaved areas.

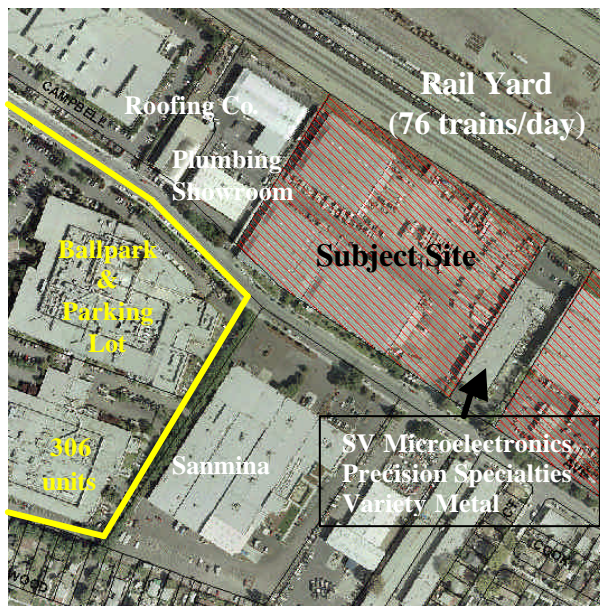


Figure 1. Subject site and surrounding industrial users and developments .

The amendment site is immediately adjacent to industrial uses (refer to Figure 1). Northeast of the site is the Southern Pacific Railroad Newhall Yard that has a General Plan Land Use/Transportation Diagram designation of Heavy Industrial. There are seven active rail lines which carry freight and passenger trains (approximately 76 per day). Beyond the railroad to the northeast is the FMC Corporation Facility and Norman Y. Mineta (San José) International Airport.

The properties to the southeast, southwest, and northwest of the site have a General Plan designation of Light Industrial. The businesses adjacent to the subject site include the following:

1. T.W. Smith Company (plumbing showroom and service since 1962);
2. Sanmina-SCI (electronic contracts manufacturing, net sales \$10.7 billion in 2003);
3. Silicon Valley Microelectronics, Inc. (semiconductor and wafer manufacturers);
4. Precision Specialties (turning and milling parts for medical, film, and aerospace industry);

5. Variety Metal Finishing (only member of National Association of Metal Finishers in Northern California).

To the west, across Campbell Avenue, are two recently graded parcels within the City of Santa Clara. The City of Santa Clara recently approved redevelopment of two former light industrial sites to high density residential (approximately 300 apartments at 45 DU/AC) and a Santa Clara University baseball stadium located between Campbell Avenue and El Camino Real, across the street from the subject site. The baseball stadium and its parking facility will be closest to the proposed amendment site. Both of these projects are currently under construction.

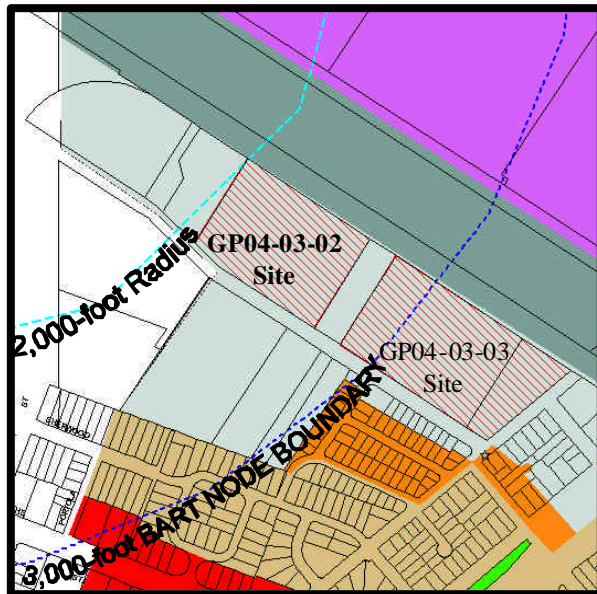


Figure 2. Map showing the subject amendment site and its proximity to the future BART station. The existing Caltrain Station is located near the future BART station site.

The subject site is also located approximately one-half mile from the existing Santa Clara Caltrain Station and the future Santa Clara BART multimodal station. Within this proximity to passenger rail and BART stations higher density residential development generally exceeding 45 DU/AC and mixed-used development are encouraged. This type of development supports ridership and helps create pedestrian-oriented neighborhoods. The rail yard located on the northeasterly side of the subject site is also planned to be a maintenance yard for BART.

Santa Clara University and several City of Santa Clara-based technology companies are also in close proximity to the subject site and could provide potential residents for future residential development on the site should the General Plan amendment be approved.

ANALYSIS

Framework, As A Guideline, To Evaluate Proposed Conversions Of Employment Lands To Other Uses

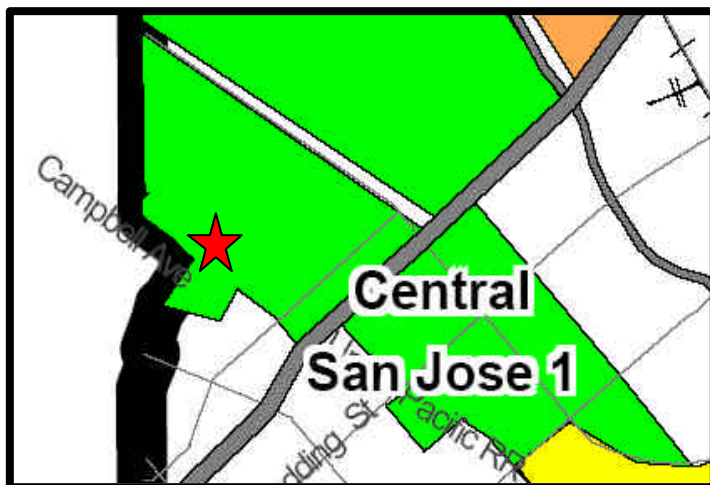


Figure 4. Map showing location of subject site in Central San Jose 1 Subarea as designated in the Framework.

The intent of the Framework is to create more predictability in the review of employment land conversion proposals while retaining flexibility to respond to changing conditions, information, and policy considerations. The subject site is within the boundary of the Central San Jose 1 Subarea, which the Framework indicates should be considered for conversion to housing, retail, mixed use, or other Household Serving Industries. The Framework specifically indicates that this portion of

Central San Jose 1 Subarea is designated for consideration for conversion to housing in certain circumstances consistent with 1) the existing neighborhood, 2) the BART Station Node, and 3) the City of Santa Clara's conversion to housing. Staff concludes from analysis of the criteria for evaluation of industrial conversions that the General Plan land use designation of Medium High Density Residential (12-25 DU/AC) is not consistent with the existing neighborhood, the BART Station Area Node or the City of Santa Clara's new high-density housing development.

The analysis of criteria for evaluation of the proposed conversion is included as Attachment A to this staff report.

Consistency with the Housing Major Strategy

The City's General Plan seeks to create a well-balanced community. Although the need for economic development is as important as providing housing the City's residents, San Jose recognizes the continuing strong demand for housing here and throughout the region. The General Plan's Housing Major Strategy calls for planning for residential land uses at appropriate locations and densities. As described elsewhere in this report, the amendment site is considered an appropriate location for higher residential development in that the site is in a transitional area within the vicinity of the existing Santa Clara Caltrain station and future multimodal BART station. The staff recommended alternative land use designation, High Density Residential (25-50 DU/AC) is appropriate for the subject site and consistent with the Housing Major Strategy. The associated Planned Development rezoning for the subject site achieves a density of approximately 13 dwelling units per acre.

Consistency with Goals and Policies

Although the staff recommended alternative designation of High Density Residential (25-50 DU/AC) is consistent with the following City of San Jose 2020 General Plan Goals and Policies, the applicant proposed General Plan amendment to Medium High Density Residential (12-25 DU/AC) and its associated Planned Development rezoning (PDC04-068) are not consistent:

1. *Balanced Community Policy #2.* Varied residential densities, housing types, styles, and tenure opportunities should be equitably and appropriately distributed throughout the community and integrated with the transportation system, including roads, bicycle and pedestrian facilities. Higher densities are encouraged near passenger rail lines and other major transportation facilities to support the use of public transit (i.e., Caltrain and BART).
2. *Residential Land Use Policy #3.* Higher residential densities should be distributed throughout the community. Locations near commercial and financial centers, employment centers, rail transit stations and along bus transit routes are preferable for higher density housing. As stated previously the project site is located within the vicinity of the existing Caltrain station and the future location of a BART station.
3. *Residential Land Use Policy #23.* This policy states that new high-density residential development in Transit-Oriented Development Corridors and BART Station Area Nodes should be designed to protect residents from any potential conflicts with adjacent land uses.

4. *Residential Land Use Policy #24.* This policy states that new residential development should create a pedestrian friendly environment by connecting the features of the development with safe, convenient, accessible, and pleasant pedestrian facilities. Such connections should also be made between the new development, the adjoining neighborhood, transit access points, and nearby commercial areas.

Land Use Compatibility

The amendment site is located within an industrial area located westerly of the Union Pacific Railroad and northeasterly of an established single-family residential neighborhood. The remaining adjacent industrial properties along Campbell Avenue could potentially convert to residential uses in the future due to the proximity to Santa Clara University, the existing Caltrain station and the future BART station. The concurrent and pending General Plan amendment and Planned Development rezoning for a site within 150 feet of the project site is reflective of this change to the immediate area. This change would provide a clear and identifiable boundary line between the railroad tracks and associated industrial uses to the east and residential to the west and south, creating a more efficient land use pattern for the area. The subject site has no adjacent residential interface creating challenges for new or ongoing industrial activities. The site is adjacent to a new Santa Clara University baseball stadium and parking facility currently under construction.

The properties directly westerly and northerly of the amendment site are currently designated Light Industrial. In order to reduce potential future incompatibility issues between residential and industrial uses, staff recommends further analysis of the adjacent property west of the amendment site for the appropriateness of a General Plan land use change from Light Industrial to a residential land use designation. This change could create a more efficient land use pattern and help to support the nearby existing and future public transit.

The applicant proposed density of approximately 13 dwelling units per acre is neither compatible with existing industrial uses, nor the General Plan amendment File No.GP04-03-03 which proposes a change to High Density Residential (25-50 DU/AC) within 150 feet of the subject site, the new baseball park, nor the approximately 300-unit development (45 DU/AC) in the City of Santa Clara next to the ballpark. The staff recommended alternative proposed density range of 25 to 50 dwelling units per acre is compatible with nearby recreational and residential developments. Although this density is higher than the residential neighborhoods in the area (approximately 16-18 DU/AC), appropriate design features can be incorporated into specific development proposals at the zoning and permit stage. The High Density Residential (25-50 DU/AC) designation makes most efficient use of the subject site. Challenges regarding land use compatibility for the site include the following:

1. Proximity to a heavy rail yard and heavy and commuter railway active 24 hours per day (76 trains per day and ACE trains idling for the majority of night and day);
2. Proximity to nuisances including substantial outdoor activities, heavy truck use, hazardous materials use and storage, and generation of noise, dust, and odors;
3. An isolated single-family neighborhood surrounded by industrial uses with only limited pedestrian access to the nearest residential neighborhood due to blockades at Newhall Street and O'Brien Court; and

¹ Potential jobs calculated using TRANPLAN land use methodologies and formulas.

4. Proximity to a new baseball stadium (under construction) with 100-foot tall lights and a parking facility (approximately 16 tournaments per season).

Centralized Park and Conversions to Residential Use

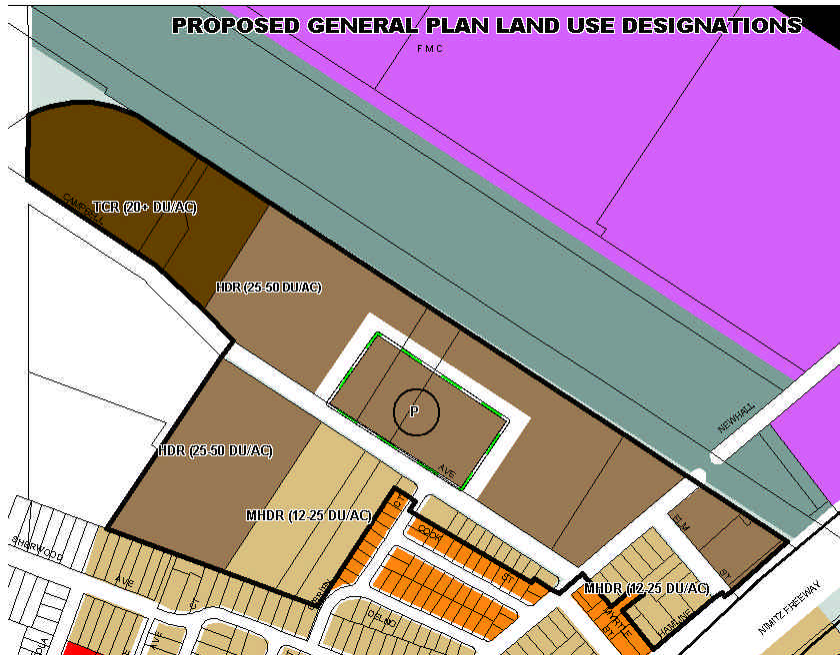


Figure 6. Map illustrating conceptual centralized park and conversion of 44 acres of industrial lands (within boundary) to residential uses.

Both the applicant-proposed, and staff-recommended alternative, conversion of the 7.6-acre subject site from Light Industrial to Medium High Density Residential (12-25 DU/AC) and High Density Residential (25-50 DU/AC), are being analyzed in the context of the larger surrounding areas. There is a concurrent pending General Plan amendment and Planned Development rezoning on a 10.2-acre site located 150 feet southeasterly of the subject site, and it is anticipated that other industrial properties in this area could be induced to convert to residential uses should the City Council

approve the proposed conversions. Staff has proposed the alternative designation of High Density Residential (25-50 DU/AC) for the subject site in an effort to ensure future development of the site is compatible with existing uses and designed to integrate with future development of the remaining industrial properties in the area.

In an effort to understand some of the impacts of this portion of the Central San Jose 1 Subarea, an approximately 44-acre area, TRANPLAN land use data were produced based on likely conversions from industrial to residential uses, including Transit Corridor Residential (20+ DU/AC calculated at 45 DU/AC), High Density Residential (25-50 DU/AC, calculated at 37 DU/AC), and Medium High Density Residential (12-25 DU/AC, calculated at 18 DU/AC). The conversions would result in a total potential loss of approximately 1,950 jobs and a potential gain of approximately 1,500 housing units. Based on the conversion of these properties, especially those located on Campbell Avenue, staff determined that a larger centralized park area would better serve the larger residential neighborhood.

ENVIRONMENTAL REVIEW

Two Mitigated Negative Declarations (MND) were prepared for the subject site and sent to the State Clearinghouse. One MND was prepared for the applicant proposed General Plan amendment (GP04-03-02) to change the land use designation from Light Industrial to Medium

High Density Residential (12-25 DU/AC) and Planned Development rezoning (PDC04-068) for up to 104 single-family detached housing units on the 7.6-acre site. The second MND was prepared for the staff recommended alternative General Plan amendment (GP04-03-02-STAFF RECOMMENDED ALTERNATIVE) to change the land use designation from Light Industrial to High Density Residential (25-50 DU/AC). Both MNDs began 30-day circulation periods for public review and comment on the adequacy of the environmental review on November 9, 2004. Circulation ends December 8, 2004 at 5:00 PM.

PUBLIC OUTREACH

On October 6, 2004, the developer for the proposed General Plan amendment and pending Planned Development rezoning presented their proposal at a regular meeting of the Newhall Neighborhood Association at 1051 Morse Avenue (The Quaker House).

The developer, Santa Clara Development Company, held their own community outreach meeting for the General Plan amendment on November 18, 2004 at The Quaker House located at 1051 Morse Street. At this meeting the following comments were made by attendees in regard to the applicant proposal (Medium High Density Residential (12-25 DU/AC)):

- 1) Like the density and the housing development being proposed by the applicant and feels like they are creating community.
- 2) Existing neighborhood is filled with eclectic houses on narrow winding residential streets. The proposed project is “cookie cutter” housing on straight streets surrounded by industrial buildings—this does not blend with the existing neighborhood.
- 3) It is irresponsible to put any kind of housing at this location as houses will shake with every passing train and people living closest to the track will have no option but to use central heat and air conditioning throughout the year because their windows will have to be sealed or stay closed due to noise and pollution from passing trains.

In response to the last comment, Mark Robson, the developer, stated that there is no vibration when the ACE Train goes by because he visited the site and spent time there during the day while trains went by.

The following comments were made by attendees in regard to the staff recommended proposal of High Density Residential (25-50 DU/AC):

- 1) One or two-story development with trees will do the same as multi-story buildings to protect neighborhood from nuisances created by the rail yard.
- 2) High Density Residential (25-50 DU/AC) is inconsistent with the effort to maintain the context of the existing neighborhood.

Planning staff commented that the neighborhood has three choices: the applicant proposal Medium High Density (12-25 DU/AC), the staff recommended alternative High Density Residential (25-50 DU/AC), or no change at all.

The following are general questions and comments related to the amendment site and process:

- 1) What will happen to the businesses on Campbell Avenue in the next three years while the new housing is implemented and when it is completed?
- 2) Will new housing lower, raise or maintain property values in the existing neighborhood?
- 3) Would it be possible to put a road between the new development and the railroad tracks?
- 4) Would it be possible to develop a trail next to the railroad right of way to make walking to the Caltrain station easier?

Mark Robson (the developer), Councilmember Cindy Chavez and her staff, and Planning staff responded to questions both during and after the meeting.

Immediately following the meeting, several community members had the following questions regarding the General Plan amendment and zoning processes for Planning staff:

- 1) Will this General Plan amendment change the designation on all the land that currently has an industrial designation?
- 2) Is it possible to do a specific plan for the neighborhood as suggested by Cindy Chavez?
- 3) Is it possible to ask the developer to withdraw or defer?
- 4) If we want no change made to the General Plan how can we protect our neighborhood from new industrial uses on these lands?

Planning staff responded to these questions as follows:

- 1) This General Plan amendment only applies to the one parcel listed in the amendment application not the entire industrial area.
- 2) The date for the General Plan amendment was moved from Winter 2005 Hearings (February-March 2005) up to Fall 2004 (November-December 2004), but the hearing for the Planned Development rezoning (PDC04-068), for the specific housing development being proposed, is tentatively in early 2005. An additional community meeting will be held for the Planned Development rezoning.
- 3) It is possible to do a specific plan for the neighborhood, and this is something they should discuss with both Cindy Chavez and Ken Yeager. In preparation for that process and to assist the neighborhood in understanding the General Plan, the Zoning Ordinance, and other documents governing planning in the San Jose, the Planning Division offers Planning 101, an introduction to the City's planning processes.
- 4) The neighborhood organization and area residents would have to discuss with the developer and with Council members Yeager and Chavez the possibility of asking the developer to withdraw or defer directly.
- 5) The neighborhood organization and area residents would have to discuss with Council members Yeager and Chavez the specifics about deferring new development or redevelopment of the site until the specific plan is complete.

Planning staff also recommended visiting the Planning Division to pick up copies of specific plans that have been completed for other neighborhoods in order to better understand the scope of work involved in creating a specific plan.

CONCLUSION

The applicant proposed General Plan amendment will facilitate a residential development of single-family detached units with no connection to the already established single-family neighborhoods to the west and south of the site. The applicant proposed designation of Medium High Density Residential (12-25 DU/AC) and its associated Planned Development zoning (PDC04-068) are not appropriate for this location at the proposed density of 13 dwelling units per acre. The staff recommended alternative designation of High Density Residential (25-50 DU/AC) is appropriate for this location in that this density is planned primarily for sites 1) near the Downtown Core Area, 2) near commercial centers with ready access to freeways and/or expressways, and 3) in the vicinity of rail stations.

The applicant proposed General Plan amendment is not consistent with long standing General Plan policies regarding the location of residential land uses and the “Framework” criteria to determine appropriateness for the conversion of employment lands to other uses in close proximity to transit. The inconsistency is largely due to the low density of the proposed development (13 DU/AC) in this proximity to an existing Caltrain and the future multimodal BART station, lack of connection to the existing residential neighborhood, and land use incompatibility issues with adjacent properties.

Alternatively, the staff recommended designation, High Density Residential (25-50 DU/AC) is consistent with the goals and policies of the General Plan. A General Plan land use designation of High Density Residential (25-50 DU/AC) on the subject site is the minimum residential land use density that will ensure the development of housing types and densities appropriate in proximity to existing and future rail stations as well as adjacent to nuisances.

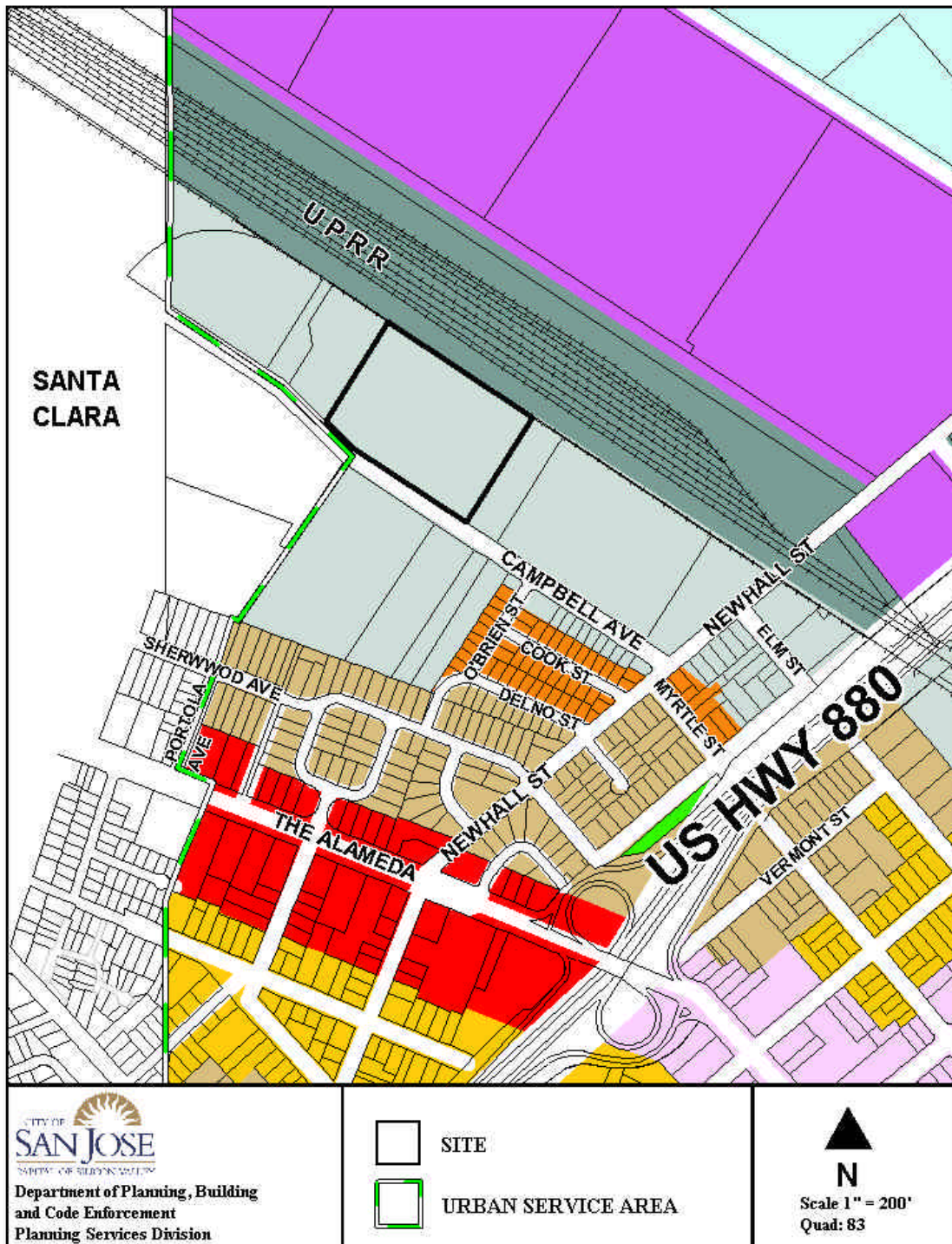
Should the Planning Commission decide to recommend the applicant proposed land use designation of Medium High Density Residential (12-25 DU/AC), Planning staff recommends direction be included that future development of the site should achieve a minimum density of 20 dwelling units per acre based on the following portion of the General Plan definition for Medium High Density Residential (12-25DU/AC) that states, “Sites with this land use designation that are located in Transit-Oriented Development Corridors...should be developed at the high end of the density range to support these transit facilities. Properties located within a reasonable walking distance of a planned or existing rail station should be developed at a minimum density of 20 units per acre under this designation. (A reasonable walking distance is defined as approximately 2,000 feet along a safe pedestrian route).”

ATTACHMENTS

- | | |
|---------------------------|---|
| A. Location Map | D. City Department & Public Agency Comments |
| B. Framework Analysis | E. Mitigated Negative Declaration, circulated |
| C. Letter from T.W. Smith | November 9, 2004 |

ATTACHMENT A

GP04-03-02



ATTACHMENT B

Framework Analysis

A. Economic contribution of the subarea: *What is the economic contribution of the subarea to the San Jose and Silicon Valley economy and job base? How would this economic contribution be enhanced or reduced by the proposed conversion?* The area in which the site is situated is typified by a variety of heavy and light industrial uses, some of which are related to the Airport's operations and the Union Pacific Railroad operations. The proposed General Plan amendment could potentially eliminate approximately 140 jobs. Currently approximately 40 people are employed at 2-4 companies located on the site. Consequently, the actual and potential economic contribution of this area could be reduced by the proposed conversion.

B. Consistency with City Policies and Strategies: *How does the proposed conversion and specific proposed use(s) and intensities advance the City's policies and strategies as contained in the General Plan, Specific Plans, and other strategic documents?*

The applicant proposed conversion is not consistent with the General Plan's Housing Major Strategy, Balanced Community Policy #2, Residential Land Use Policy #3, and Residential Land Use Policy #24. Consistencies are discussed in greater detail in a later section of this staff report. The staff recommended alternative proposed designation of High Density Residential (25-50 DU/AC) is appropriate for this location in that this density is appropriate under certain circumstances including in the vicinity of rail stations within Transit-Oriented Development Corridor Special Strategy Areas and sites within reasonable walking distance of a passenger rail station (approximately 2,000 feet). The land use designation High Density Residential (25-50 DU/AC) is consistent with all Major Strategies and Policies of the General Plan.

C. Proximity to existing neighborhoods and areas in transition: *How would the new residential/mixed use knit with adjacent existing or planned residential and/or retail uses, and/or fill-in gaps in areas already partially converted or transitioning to residential use? Does the proposed conversion eliminate small islands or peninsulas of industrially designated/zoned land that would be suitable for conversion to residential to make them consistent with surrounding uses?*

The amendment site is located adjacent to industrial uses to the north, and a mix of industrial and well-established residential uses to the west and to the south. Therefore, the proposed project could create uniformity with the existing surrounding neighborhood by buffering the existing residential neighborhood consisting of single-family, duplex and multi-family units to the west from the remaining industrial uses to the north and the railroad tracks to the east with a development planned for land designated High Density Residential (25-50 DU/AC). Lower density residential development at this site, such as single-family detached, may not provide a sufficient buffer for the existing residential neighborhood or occupants of the development from existing heavy and light industrial uses.

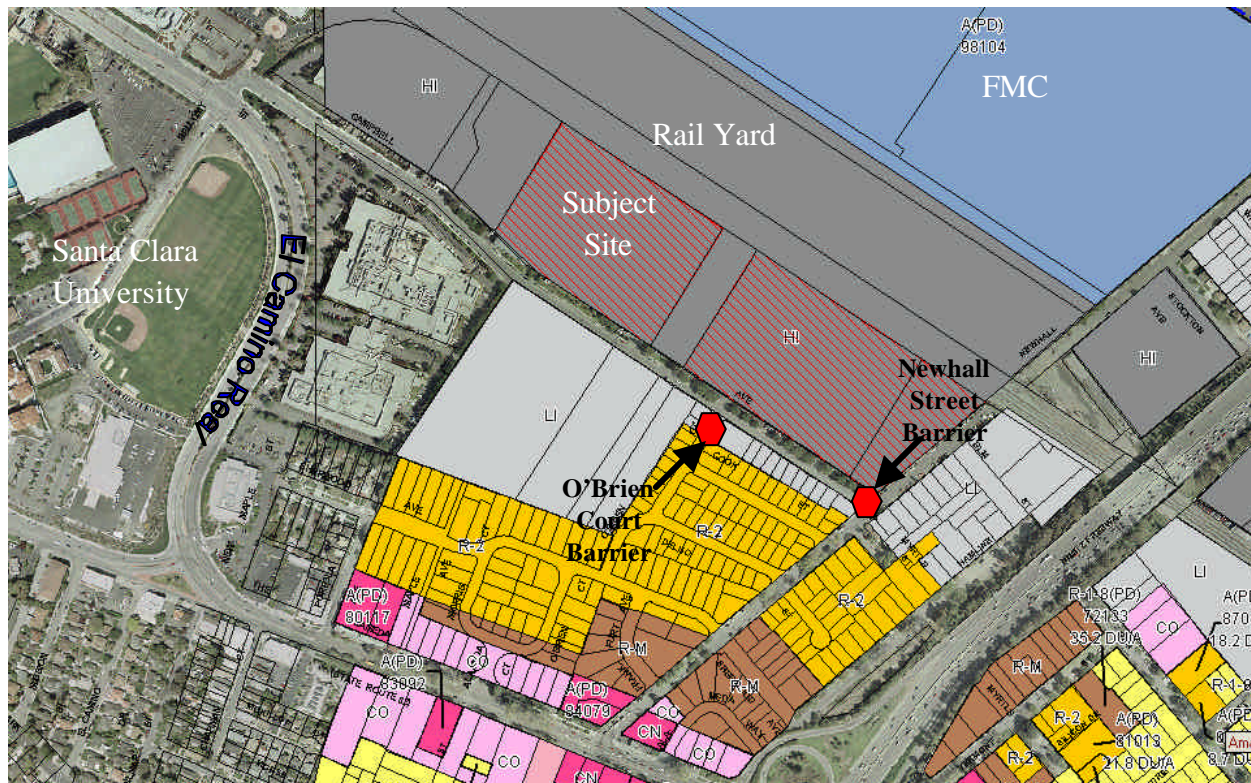


Figure 5. Aerial photo (2001) with zoning designations overlay. Red stop sign shapes indicate locations of new street barriers separating industrial area from residential area.

D. Proximity to incompatible employment uses (e.g., manufacturing, recycling, etc.): Where are the nearest incompatible industrial areas which might generate impacts due to hours of operation, deliveries, noise, odors, hazardous materials, etc.? How might the new residential use put pressure on the existing industrial uses to modify their operations?

The operations of the Union Pacific Railroad, which is located adjacent to the site, generate noise, vibration, odors, and other environmental impacts that are potentially incompatible with residential uses. Industrial uses northerly and westerly of the site also create these impacts. As discussed in the Initial Study and Mitigated Negative Declaration prepared for this project, measures incorporated into the development would be required to mitigate these impacts to a less than significant level as specified by the California Environmental Quality Act (CEQA). Nevertheless, residents could still regard these industrial operations as a nuisance, and file complaints with the City's Code Enforcement division. Based on the City's experience with new residential uses in traditionally industrial areas, residents may also protest new proposed industrial expansions for sites that are located within approximately a one-half mile radius of the subject site or exert pressure on the existing industrial uses to modify their operations. Planning staff is working closely with the applicant in review of the pending Planned Development rezoning to ensure that future development of the site is compatible between the proposed and existing uses, and that it will be designed to integrate with future conversions and residential redevelopment of the remaining industrial properties in the immediate area.

E. Potential inducement of additional conversions to residential use? How might the proposed

residential use induce or pressure adjacent or nearby properties to convert to residential use?

It is reasonable to expect that residents concerns with the existing industrial uses may induce additional industrial conversions. This issue is discussed in greater detail further on in this staff report in the section called “Land Use Compatibility.”

F. Proximity to transit service: *Is the proposed housing site within 3000 feet of a planned BART Station or 2000 feet of an existing, funded or planned Light Rail Station?*

Measuring “as the crow flies”, the subject site is within the 3,000-foot radius of the Santa Clara BART Station Area Node and approximately 2,000 feet from the existing Santa Clara Caltrain station. The Newhall Neighborhood Association has expressed interest in seeing a pedestrian and bicycle path built along the railway to facilitate ease of access to the existing Caltrain Station and the pedestrian bridge planned to connect to the future multimodal BART Station on the opposite side of the tracks.

G. Proximity to compatible employment uses (e.g., office/R&D): *Where are the nearest existing or planned employment areas with compatible land use characteristics, thereby creating potential alternate commute (walk/bike to work) opportunities?*

Existing employment areas are adjacent and across the street from the subject site, creating many opportunities to walk to work. Santa Clara University, several technology companies, and some commercial businesses are also in close proximity to the subject site.

H. Availability of neighborhood services, and residential and commercial mixed use drivers: *Where are the nearest existing and/or planned neighborhood serving retail, parks, libraries, schools, open space/trails, etc.? How would the proposed conversion potentially enhance city services (e.g., by creating or improving neighborhood parks)? How would the proposed residential conversion potentially strengthen neighborhood and general commercial uses in the area by adding resident population? Does the proposed conversion involve a mixed residential and commercial development on the site?*

The project site is in the Santa Clara Unified School District (K-12). Students from the subject site are expected to attend: Westwood Elementary, 435 Saratoga Ave., Santa Clara, located 2.1 miles from the site; Buchser Middle, 1111 Bellomy St., Santa Clara 1 mile from the site; and Santa Clara High 3000 Benton St., Santa Clara 3 miles from the site. Buchser Middle School is getting close to capacity; the other schools are below capacity. The nearest public library is Joyce Ellington at 491 East Empire Street. The closest City Neighborhood is Columbus Park at Spring Street and Taylor Street. There is some neighborhood serving retail along The Alameda, which is approximately ¼ of a mile away and some located between the subject site and the Santa Clara Caltrain Station. The applicant proposed conversion proposes no contribution of land to create a neighborhood park. The staff recommended proposed conversion is based on the concept of potentially creating a centralized neighborhood park that would require dedication of some land on the subject site and adjacent parcels. While Medium High Density Residential (12-25 DU/AC) does not explicitly allow commercial uses, the High Density Residential (25-50 DU/AC) designation does allow commercial uses in a vertical mixed-use development within a Planned Development zoning district.

I. Public Benefit: *Does the proposed conversion offer or facilitate a unique and significant public benefit (e.g., the delivery of or significant contribution toward public facilities, public improvements, infrastructure, or affordable housing beyond what would be required to serve the proposed development associated with the conversion)? Would the conversion result in improvements to a blighted area or contribute to the variety of housing types, including rental or ownership, in areas that have predominantly one or the other? Are there any other means to obtain this extraordinary public benefit without the conversion?*

The applicant proposed project would locate new medium density residential development (approximately 13 DU/AC) and the staff proposed land use designation would locate new high density residential development (25-50 DU/AC) in close proximity to an existing employment area, Caltrain and the future BART station. The associated Planned Development zoning on file currently is proposing no public park as part of the future development of the site and only market-rate single-family detached ownership units.

J. Adequacy of Fire/Police service levels: *What are the anticipated service levels or other public safety performance measures to serve the proposed housing area?*

The nearest fire station is approximately 1.1 mile away at 800 Emory Street. The project site is within Beat No. F2 of the San Jose Police Department's service area.

K. Utilization of bicycle and pedestrian facilities, and promote pedestrian access: *Where are the nearest existing and planned bicycle and pedestrian facilities? How does the proposed residential/mixed use development support nearby jobs and commercial lands by promoting pedestrian access and minimizing vehicle trips?*

Pedestrian facilities in the study area consist of sidewalks, pedestrian paths, and crosswalks with pedestrian signals along all of the local roadways. Crosswalks are located at signalized intersections in the vicinity of the site. Currently, few bicycle facilities exist in the vicinity of the project site. However, additional bike facilities are planned along Hedding and Monroe Streets.

L. Potential environmental impacts and mitigation measures, including adequacy of other public infrastructure: *What are the potential environmental impacts and are mitigation measures included in the proposal? What public improvements are necessary to serve the new housing area?*

The site is located in area with operations that have used, or are currently using, hazardous materials. The noise level in the area surrounding the site exceeds noise policies for residential environments. A net addition of housing units would negatively impact regional air quality. The area is currently underserved by parks. However, the proposed General Plan amendment would have less than significant environmental impacts with the incorporation of General Plan policies, and specific mitigation measures included in the pending Planned Development zoning standards to address land use, transportation, air quality, noise, hazardous materials, hydrology, biotics, cultural resources, geology and soils, public services and facilities.

M. Potential fiscal impact: *What is the potential fiscal impact on City revenue and service costs?*

As mentioned previously, the proposed conversion could result in a loss of 7.6 acres of Light

Industrial land and potentially approximately 140 jobs. Moreover, pressure for remaining industrial land to convert to other uses could create a much greater additional loss of industrial acreage. Consequently, the economic contribution of this area could be substantially reduced by the proposed conversion. The site is an infill site within proximity to numerous transit options, and, as noted above, many City services and facilities are already in place to accommodate new residents. In addition, the staff recommended alternative proposed designation could include a commercial component, thereby providing sales tax revenue. However, overall there will be a fiscal cost to the City as compared to no change to the General Plan with the assumption that Light Industrial uses currently operating on the site would continue.